



PRESS RELEASE

Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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Three Minnesota Tax Return Preparers Sentenced to Prison for Conspiracy to Defraud the Government and Filing False Tax Returns *Defendants Prepared Thousands of False Tax Returns for Filing with IRS and State of Minnesota*

Three tax return preparers based in Minneapolis, Minnesota, were sentenced to prison yesterday for their involvement with a fraudulent return-preparation business with multiple storefronts in the Minneapolis area, announced Acting Assistant Attorney General Caroline D. Ciralo of the Justice Department's Tax Division.

Ishmael Kosh, 39, of Philadelphia, Pennsylvania, and Amadou Sangaray, 36, of New York, New York, were convicted following a two-week jury trial in September 2015. Kosh was convicted of one count of conspiracy to defraud the United States and eight counts of aiding and assisting in the filing of false tax returns. Sangaray was convicted of one count of conspiracy to defraud the United States, four counts of aggravated identity theft and eight counts of aiding and assisting in the filing of false tax returns. Francis Saygbay, 43, of Minneapolis, failed to appear for trial, but later pleaded guilty to one count of conspiracy to defraud the United States, one count of aggravated identity theft, and two counts of aiding and assisting in the preparation of false tax returns.

Yesterday, Chief U.S. District Judge John R. Tunheim sentenced Kosh to 52 months in prison, Sangaray to 50 months in prison and Saygbay to 40 months in prison. In addition to the prison terms, Judge Tunheim also ordered each Kosh and Saygbay to serve three years of supervised release and Sangaray two years of supervised release, following their release from prison.

"As the 2016 tax filing season draws to a close, taxpayers are reminded to be wary of return preparers who make promises that seem too good to be true," said Acting Assistant Attorney General Ciralo. "Dishonest return preparers like Messrs. Kosh, Sangaray and Saygbay cost the U.S. Treasury billions of dollars each year. Taxpayers should stay alert for the warning signs that their preparer is more interested in making a quick buck than filing an accurate tax return."

According to the evidence presented at the trial, Kosh, Sangaray, Saygbay and a fourth individual, Chatonda Khofi, 50, of St. Paul, Minnesota, established a storefront location of Primetime Tax Services Inc. (Primetime), a tax return preparation business in the Minneapolis area. Along with a fifth individual, David Mwangi, 47, of Arlington, Texas, the defendants prepared over 2,000 fraudulent individual income tax returns on behalf of customers of Primetime for filing with the Internal Revenue Service (IRS) for the years 2006, 2007 and 2008. The defendants also prepared approximately 1,700 fraudulent state income tax returns for filing with the state of Minnesota for those years. At yesterday's sentencing hearing, Judge Tunheim found that the defendants' conduct caused a total tax loss of between \$1.5 and \$3.5 million.

On the fraudulent returns, the defendants included false dependents, fake business income and losses, inflated deductions and credits and false filing status in order to obtain inflated tax returns for their customers. The defendants also bought and sold dependents for use on their customers' tax returns in order to falsely qualify their customers for inflated deductions and tax credits. The defendants caused the fraudulently obtained refunds to be sent directly to Primetime in order to maintain control over the funds. When a customer came to pick up their refund checks or debit card, the defendants sometimes demanded an additional fee in cash, and/or escorted that customer to a check cashing location or ATM.

"Tax-return preparers who try to scam the government for tax refunds are not only stealing from the government, they are stealing from all the honest citizens who pay their fair share of taxes," stated Special Agent in Charge Shea Jones of IRS-Criminal Investigation St. Paul Field Office. "The special agents of IRS-Criminal Investigation are committed to protecting the integrity of our system of taxation by investigating tax and accounting professionals who conspire with others to violate the tax laws. It is our hope that yesterday's sentencings of Ishmael Kosh, Amadou Sangaray and Francis Saygbay, send the strong message that tampering with the integrity of our nation's tax system will result in jail time."

In November 2014, Mwangi pleaded guilty to one count of conspiracy to defraud the United States and Khofi pleaded guilty to one count of conspiracy to defraud the United States and one count of aggravated identity theft. They are currently awaiting sentencing. A sixth individual associated with this scheme, Stephanie Robinson, 33, of Minneapolis, pleaded guilty in August 2013 to one count of filing a false tax return in her own name and one count of aiding and assisting in the filing of a false tax return for another individual.

Acting Assistant Attorney General Ciraolo thanked special agents of IRS-Criminal Investigation, who investigated the case and Trial Attorneys Thomas W. Flynn and Ryan R. Raybould, and former Trial Attorney Dennis R. Kihm of the Tax Division, who prosecuted the case. Acting Assistant Attorney General Ciraolo also thanked the Minnesota Department of Revenue for their significant work on this matter.

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